Department of Defense
National Security Personnel System

Auditorium Presentation
HR Elements for Managers, Supervisors, and Employees

Flexibility – Accountability – Excellence

www.cpms.osd.mil/nsps

Welcome, Housekeeping, and Agenda

- Welcome to HR Elements for Managers, Supervisors, and Employees
- Introductions
- Housekeeping and logistics
- Agenda
- Workbook
- Participant packet

Course Objectives

After completing this course, you will be able to:

- Identify what remains the same under NSPS.
- Describe the basic NSPS classification architecture.
- Explain the conversion to NSPS.
- Explain what constitutes compensation under NSPS.
- Describe how the NSPS performance management system promotes a performance culture.
- Describe the new employment flexibilities of NSPS.
- Explain how NSPS will help reshape the workforce.

Pre-Course Learning Benchmark

Multiple-choice questionnaire

- Administered at beginning of the session and following the last lesson
- Focuses on group results rather than individual scores
- Helps the PEO assess learning trends and training content
  - Has learning occurred? Is there a difference in before and after responses?
  - Are training materials effective? Are there specific content areas where additional material or editing is needed to lend clarity?

Process

- Random number process used to ensure anonymity
- Before and after scores are tabulated and results are compared
- Component use is optional but encouraged

Lesson 1: Introduction to NSPS

Lesson 1: Introduction to NSPS

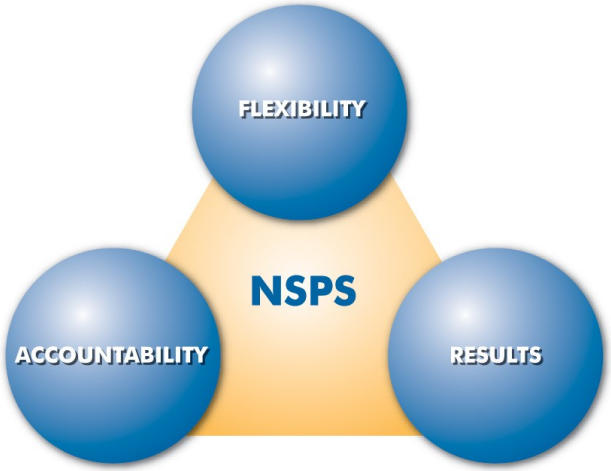
After completing this lesson, you will be able to:

- Describe NSPS.
- Explain how NSPS upholds the values and principles of the Civil Service.

What is NSPS?

NSPS:

- Is a management system that rewards employees for good performance.
- Has these core concepts—



NSPS Upholds these Values and Principles

- Protection from prohibited personnel practices
- Merit system principles
- Anti-discrimination laws
- Fundamental due process
- Whistleblower protection
- Veterans' preference principles
- Benefits (retirement, health, life, and others)
- Allowances and travel/subsistence expenses
- Training
- Leave and work schedules

Design Highlights—Major NSPS Benefits

Classification

- Simple
- Flexible
- Streamlined

Compensation

- Performance-based
- Market-driven
- Mission-responsive

Performance Management

- Results-oriented
- Mission-focused

Design Highlights—Major NSPS Benefits

Hiring and Employment

- Increased flexibilities
- Streamlined processes
- Adaptable—right person in the right job

Workforce Shaping

- Mission-responsive
- Less disruptive
- Performance-focused

Lesson 2: Conversion and Classification

Lesson 2: Conversion and Classification

After completing this lesson, you will be able to:

- Explain how conversion to NSPS works.
- Define special conversion issues.
- Describe the NSPS classification architecture.
- Describe the classification appeals process.
- Identify where you fit into NSPS.

How Conversion Works

- Your permanent position is the basis for your conversion to NSPS.
- Your full salary is retained.
- You could be eligible for a pro-rated Within-Grade Increase (WGI) buy-in.
- If you are on pay retention, you will continue to receive your full salary (may come off pay retention).

Special Conversion Issues

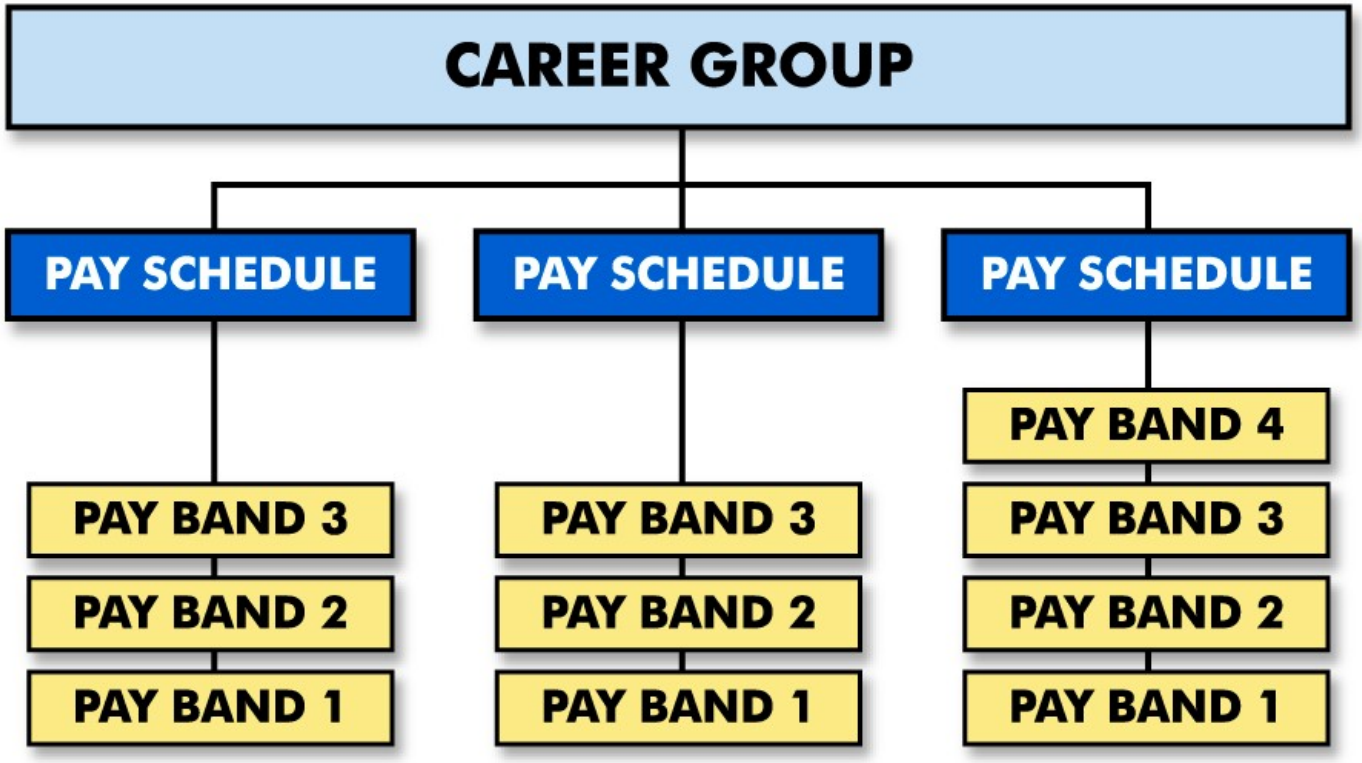
- Pay retention
- Temporary promotion
- Details
- Leader positions
- Supervisory/managerial positions
- GM employees

Classification Architecture at a Glance

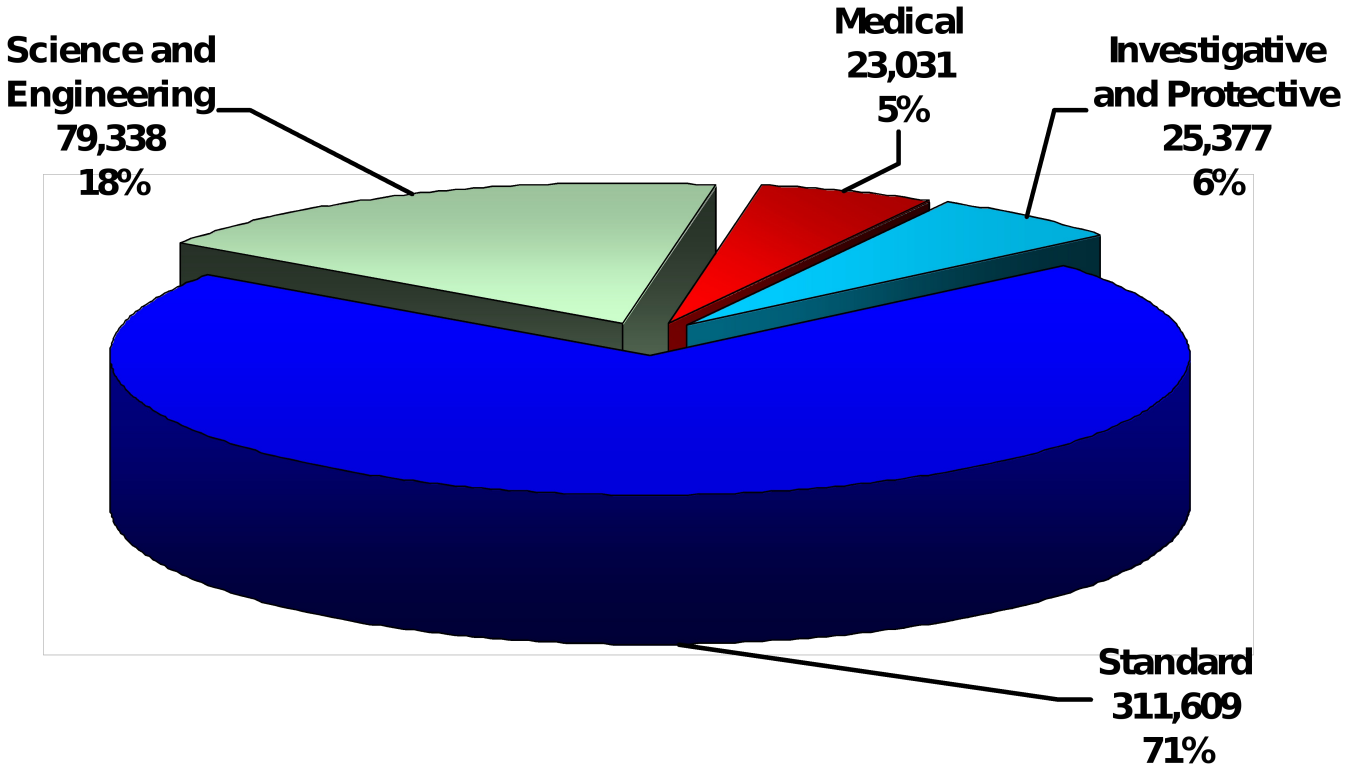
Positions are classified based on the following criteria:

- Duties and responsibilities
- Level of difficulty

Classification Structure



Career Groups by Population and Percentage



Pay Schedules

Pay schedules combine similar types of work within a career group. Each pay schedule, with each career group, has a unique NSPS code.

- Professional and Analytical
- Technician/Support
- Supervisor/Manager
- Student

Pay Bands

Pay bands combine a range of work into a discrete level. For each pay band, there is a pay range with a minimum and a maximum pay rate.

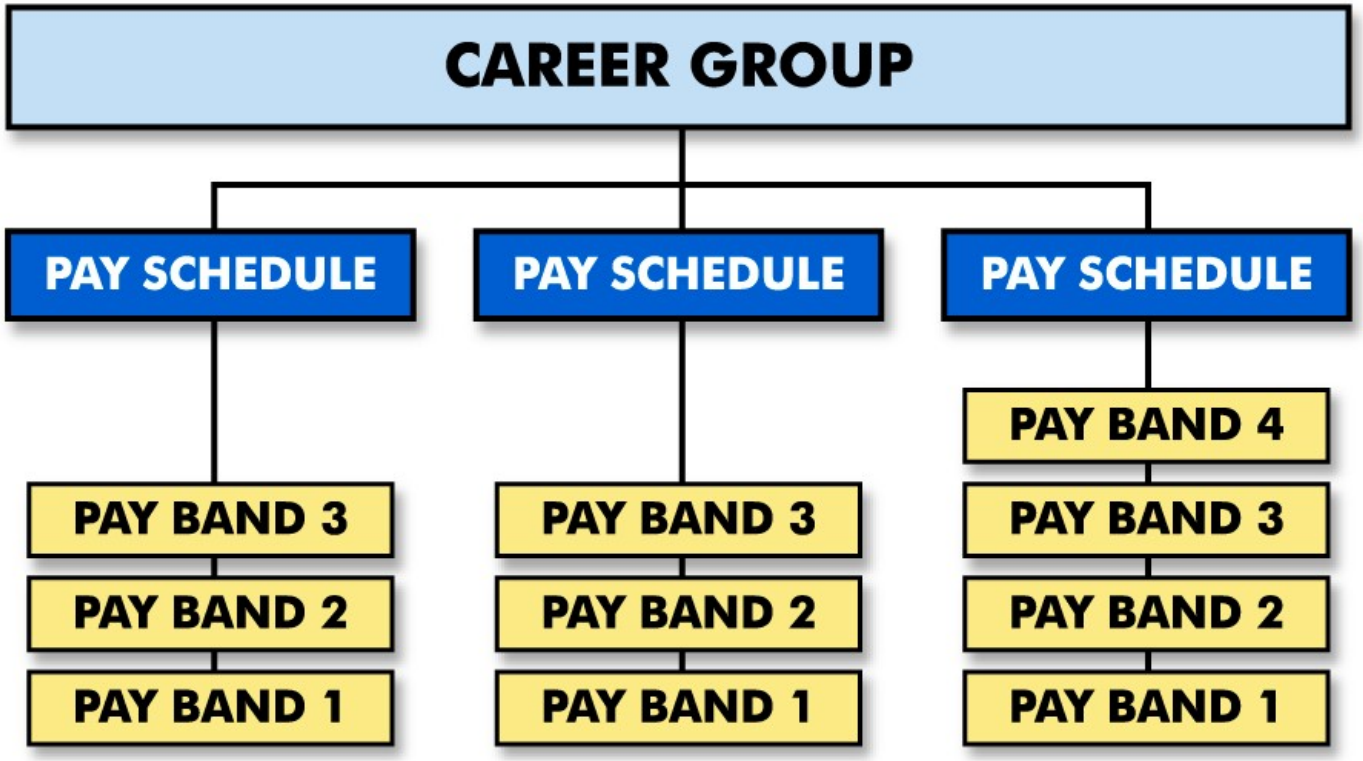
- Entry/Developmental – Pay Band 1
- Journey – Pay Band 2
- Expert – Pay Band 3

Defining Pay Schedules

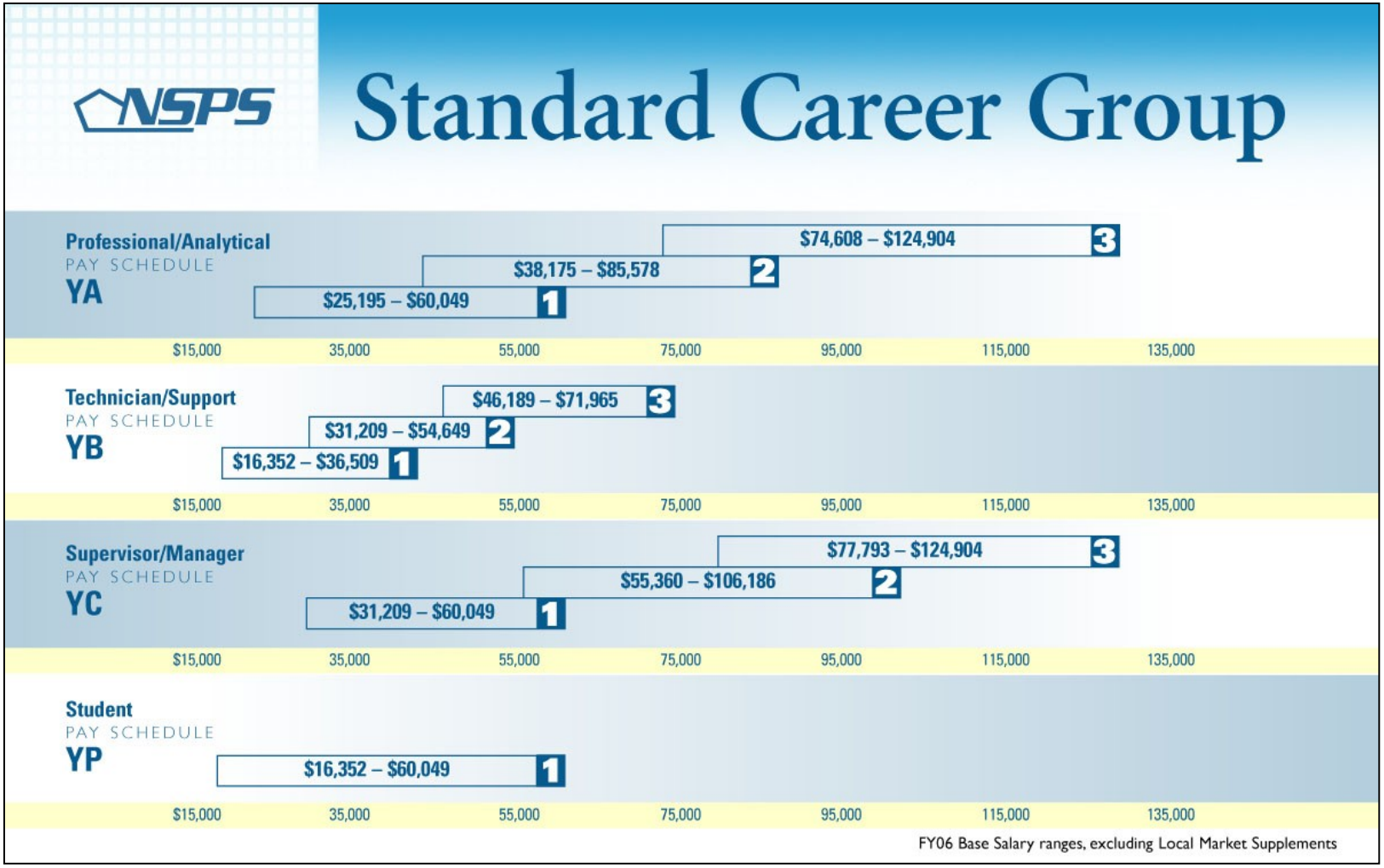
Pay schedules define and categorize positions based on these similarities:

- Nature of work performed
- Career patterns
- Mission
- Job competencies

Classification Structure



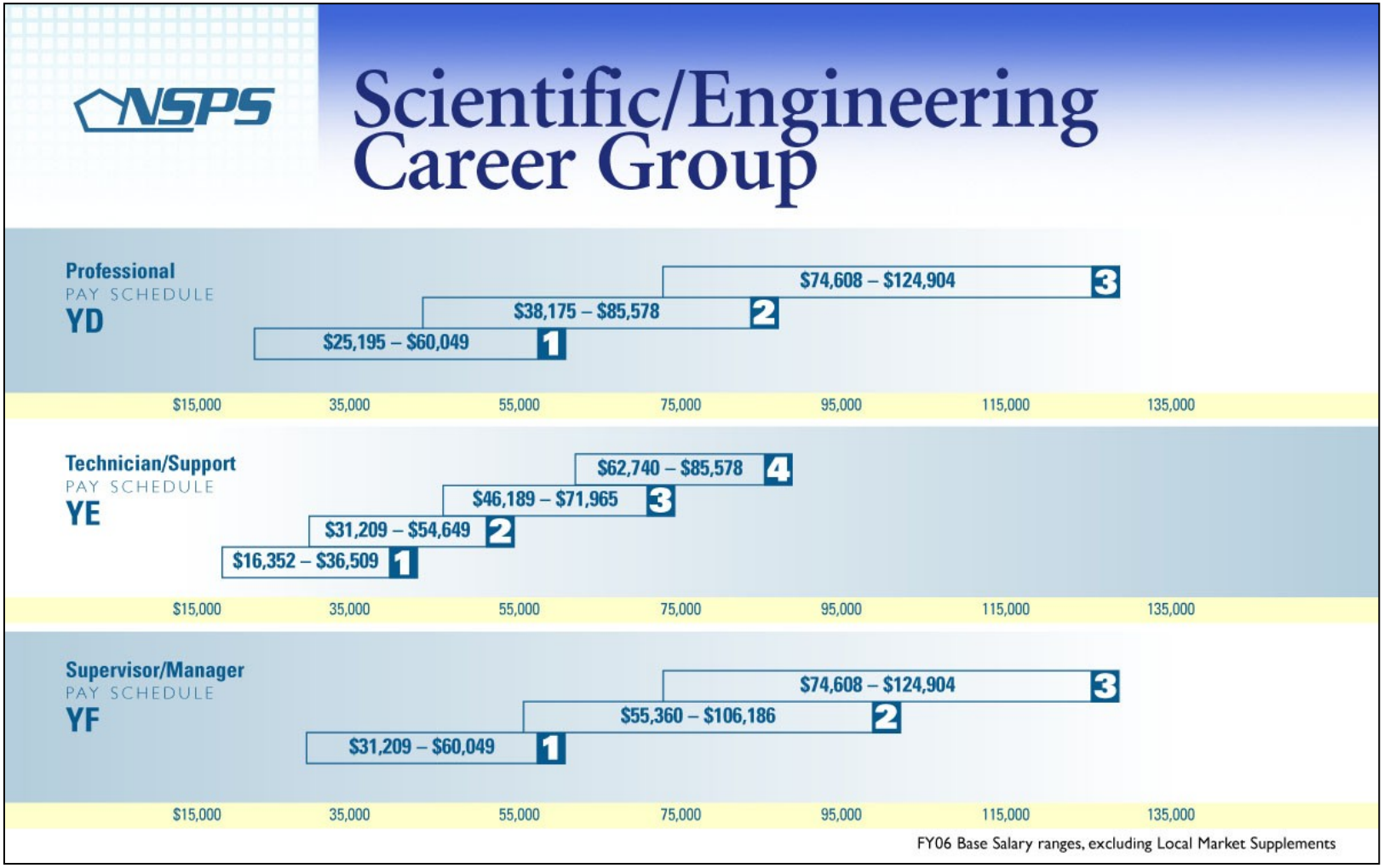
Standard Career Group



Standard Career Group Pay Schedules

- Professional/Analytical
- Technician/Support
- Supervisor/Manager
- Student

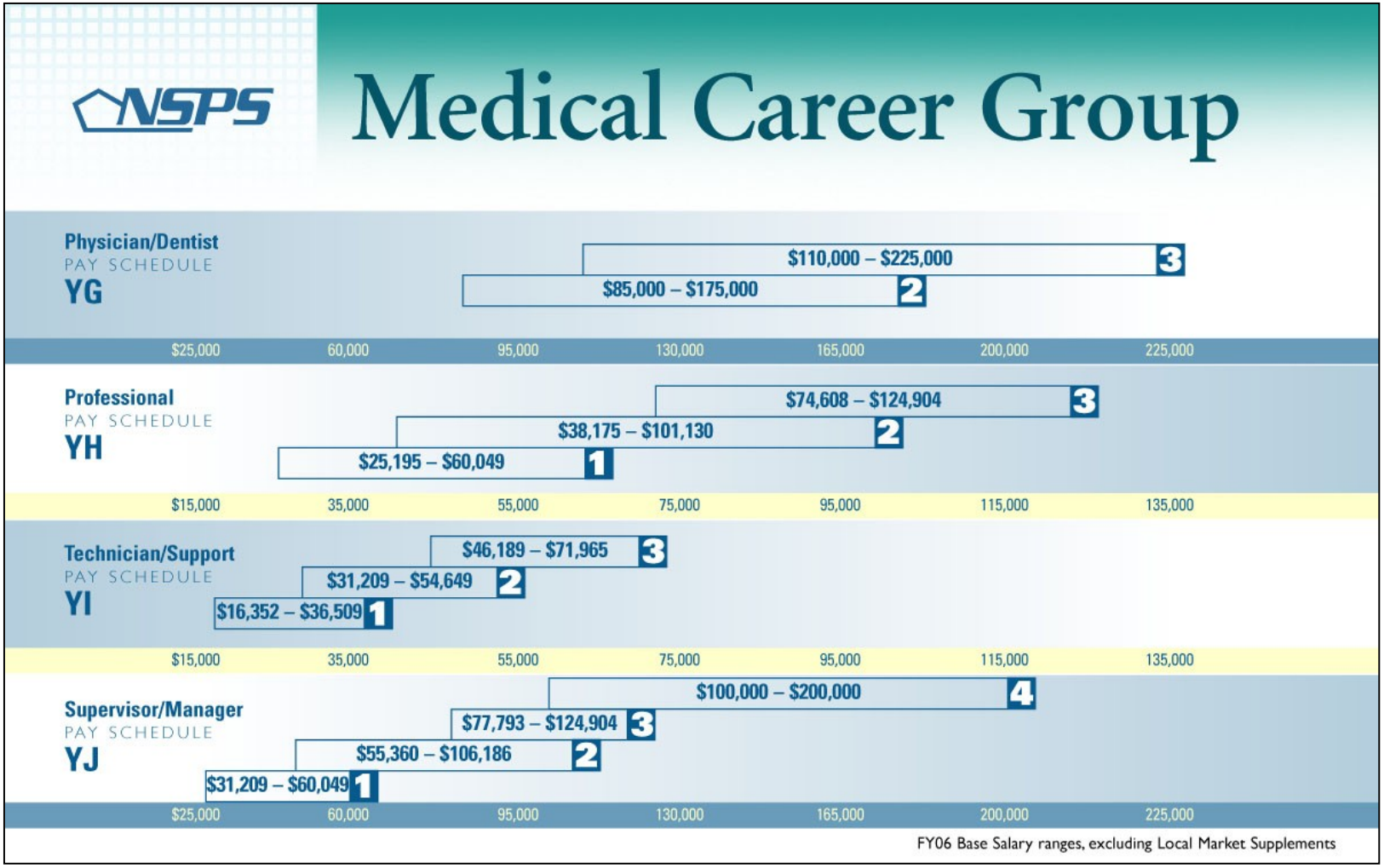
Scientific and Engineering Career Group



Scientific and Engineering Career Group Pay Schedules

- Professional
- Technician/Support
- Supervisor/Manager

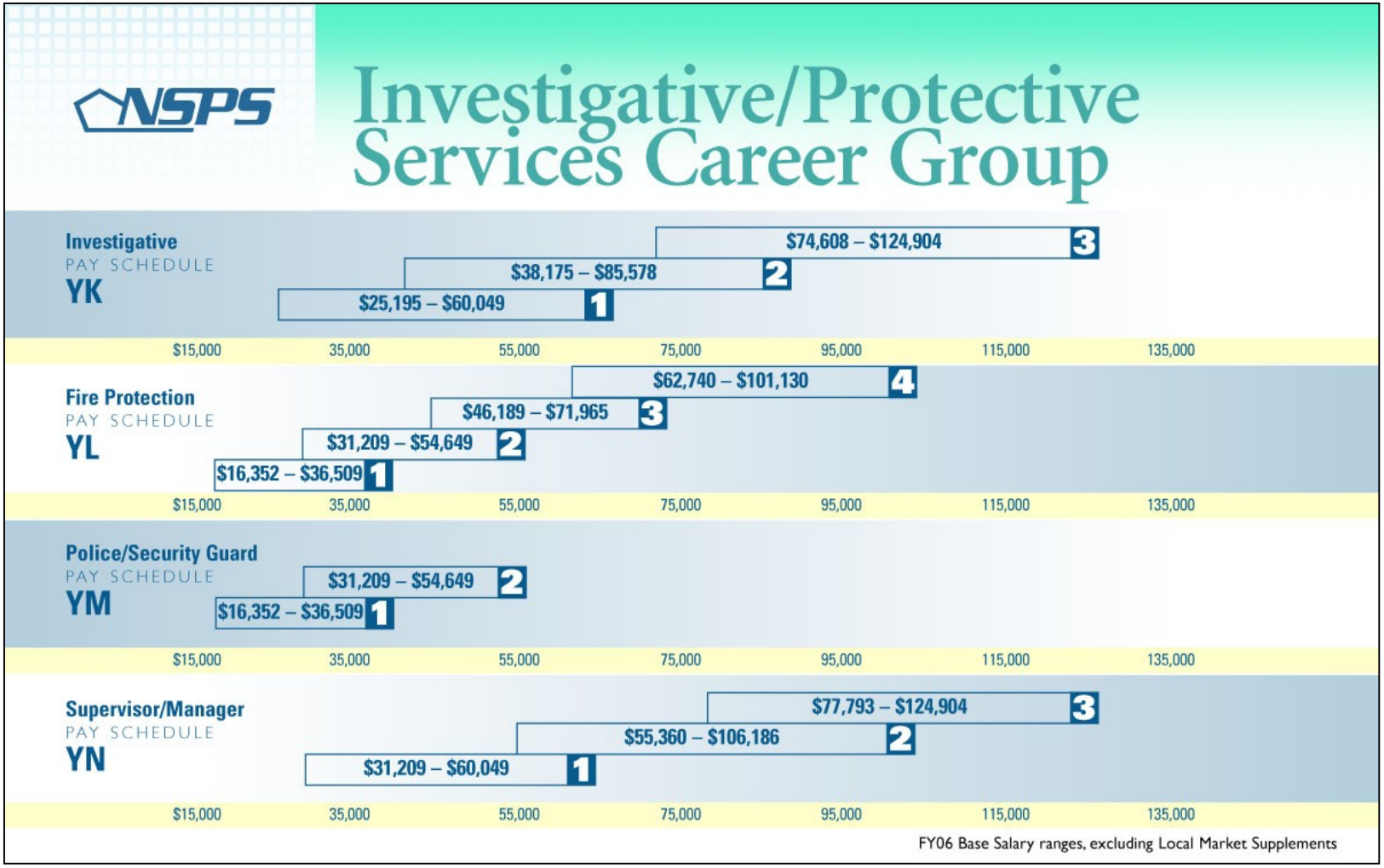
Medical Career Group



Medical Career Group Pay Schedules

- Physician/Dentist
- Professional
- Technician/Support
- Supervisor/Manager

Investigative and Protective Services Career Group



Investigative and Protective Services Career Group Pay Schedules

- Investigative
- Fire Protection
- Police/Security Guard
- Supervisor/Manager

Appealing Your Classification

- If you believe that your position is misclassified, you are encouraged to speak to your supervisor.
- After the discussion, if you still feel that your position is misclassified, you have the right to appeal.

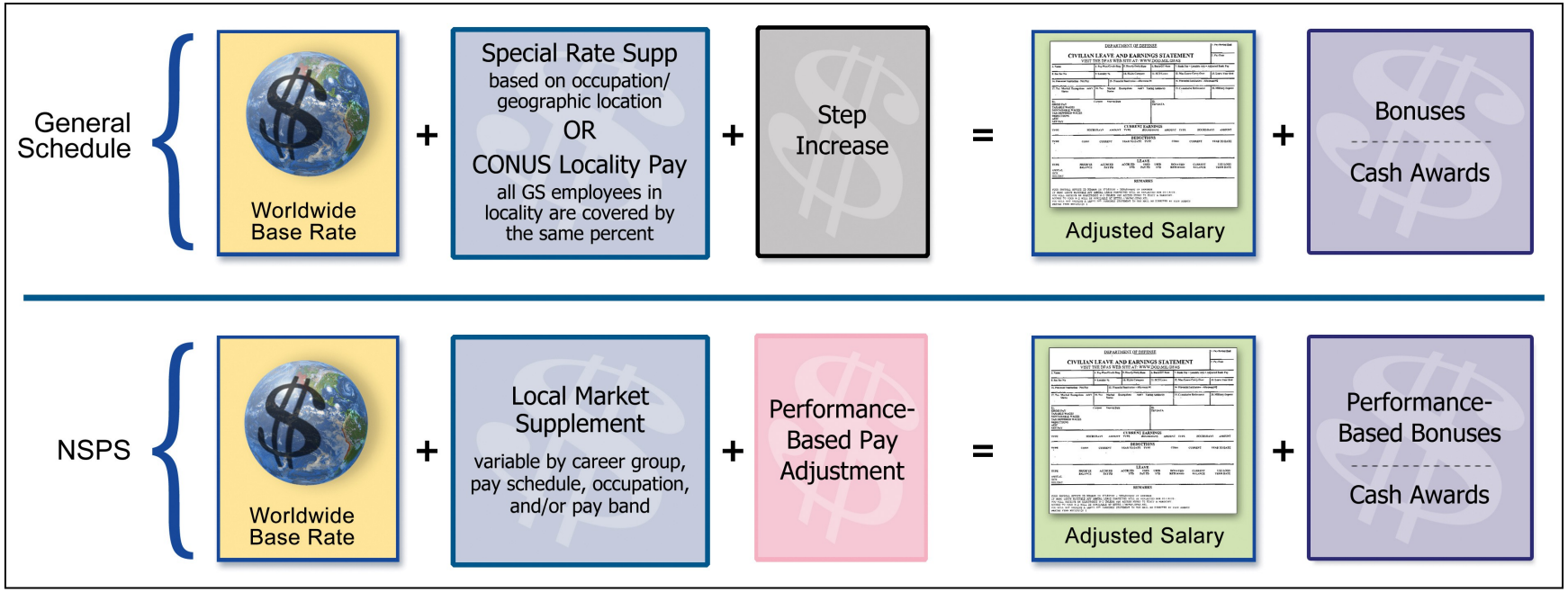
Lesson 3: Pay and Compensation

Lesson 3: Pay and Compensation

After completing this lesson, you will be able to:

- Identify factors linked to compensation.
- Explain what comprises your pay.
- Explain rate range adjustments.
- Describe how your performance affects your pay.
- Describe how promotions, reassignments, and other placement actions impact your pay.

What Constitutes Pay



Pay is Comprised of…

- Worldwide base rate plus local market supplements
- When determining local market supplements, DoD considers:
  - Mission requirements.
  - Labor-market conditions.
  - Availability of funds.
  - Allowances and differentials.
  - Similar pay adjustments set by other federal agencies.
  - Other relevant factors.

Rate Range and LMS Adjustments

- Each pay band has a rate range.
- DoD reviews rate ranges and LMS annually.
- To receive an increase, you must not be at the maximum of the pay band.
- Employees with a rating of “unacceptable” will not receive an LMS or rate range adjustment, if available.

Performance Affects Pay

Potential Increase	Performance Rating
LMS Increase	Level 2 (Fair)
Rate Range Adjustment	Level 2 (Fair)
Performance-Based Increase	Level 3 (Valued Performer)

Performance Matters

- Performance payout can be in the form of:
  - Salary increase
  - Bonus
  - Combination of the above
- Performance affects your promotion and reassignment potential

Performance matters under NSPS and good performance is rewa

Promotions

- When you receive a promotion, your
  - Pay increases between 6% and 20%.
  - Base pay cannot be lower than the minimum or higher than the maximum of the pay band
- If your promotion is temporary, your base pay reverts to that of your permanent position upon your return.

Reassignments

Reassignment and Other Placement Actions	What This Means
Employee-initiated Reassignment	You may receive up to a cumulative 5 percent increase in base salary in a 12-month period, no matter how many times you reassign that year.
Management-directed Reassignment	You may receive up to a 5 percent increase in your base salary for each reassignment. There is no limit to the number of times you can receive a management-directed reassignment.
Voluntary move to a lower pay band	Your base salary must be set within the assigned pay band. Management may increase your base salary up to 5 percent (not to exceed the maximum of the rate range).
Adverse action	Your base salary may be reduced by up to 10 percent. The reduction cannot cause your base salary to fall below the minimum rate of your new pay band or exceed 10 percent, unless a larger reduction is needed to place you at the maximum rate of the lower pay band. This reduction in pay band can only occur once in a12-month period.
Reduction in force (RIF)	You are not eligible for a base salary increase.

Lesson 4: Performance Management– Setting the Context

Lesson 4: Performance Management

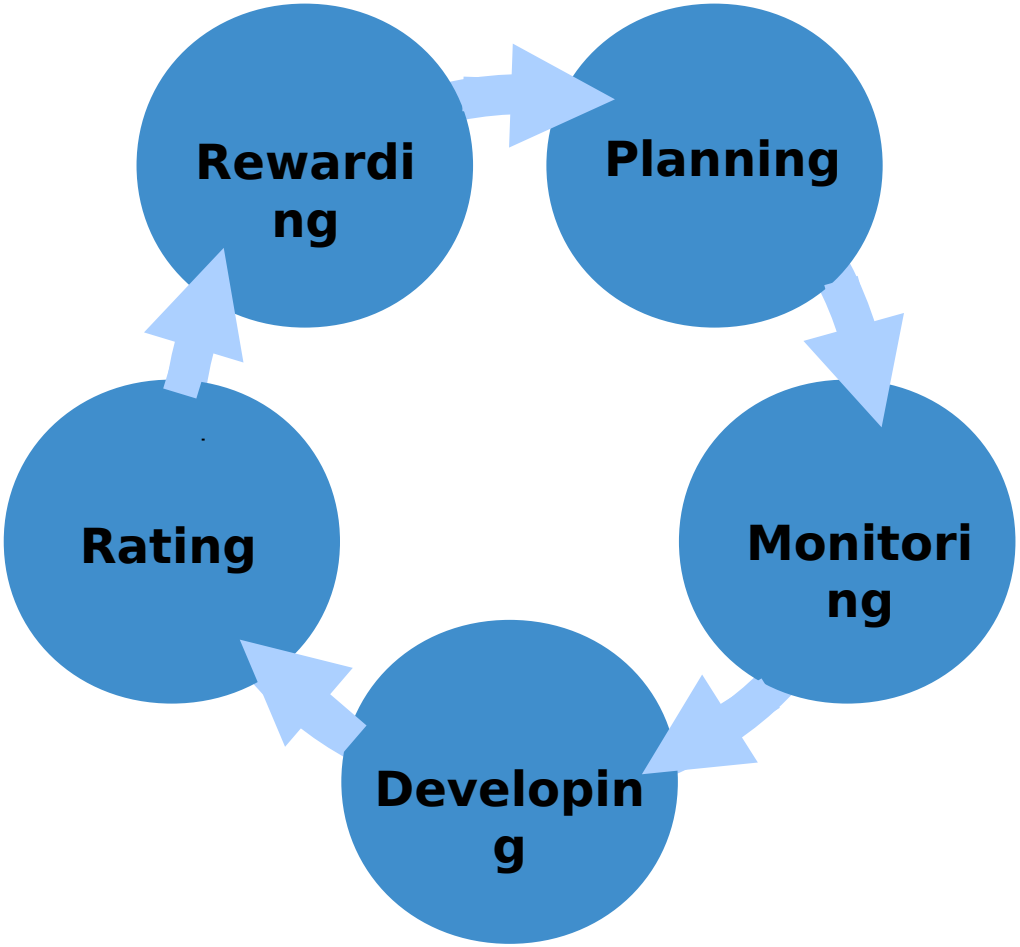
After completing this lesson, you will be able to:

- Describe the NSPS pay-for-performance concepts.
- List the different stages in the performance management cycle.
- Identify components of the NSPS performance management system.

Performance Management Principles

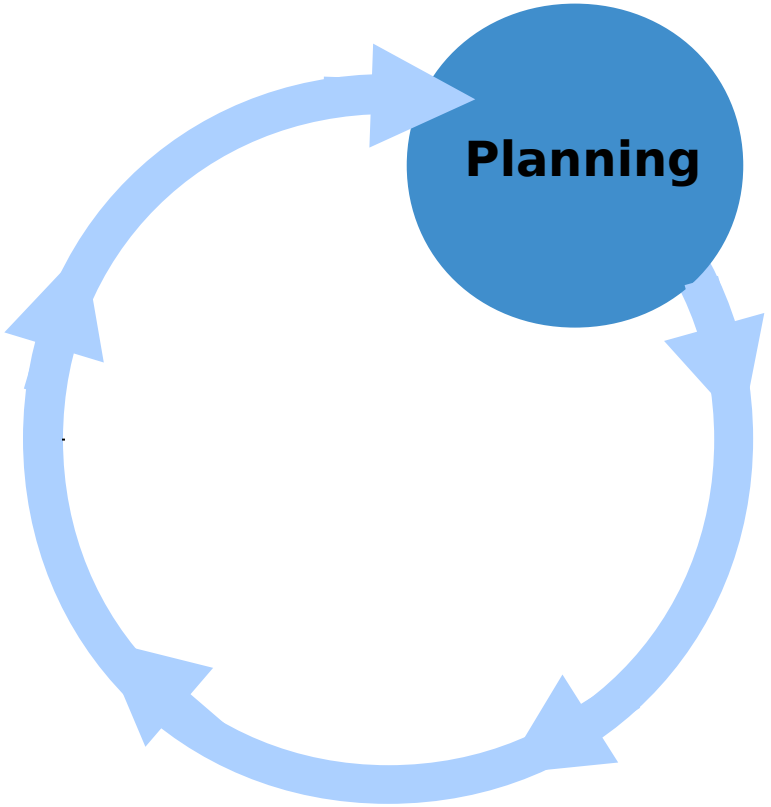
- Results-oriented, mission-focused
- Clear and understandable
- Direct link between pay, performance, and mission accomplishment
- Reflect meaningful distinctions in performance

Performance Management Cycle



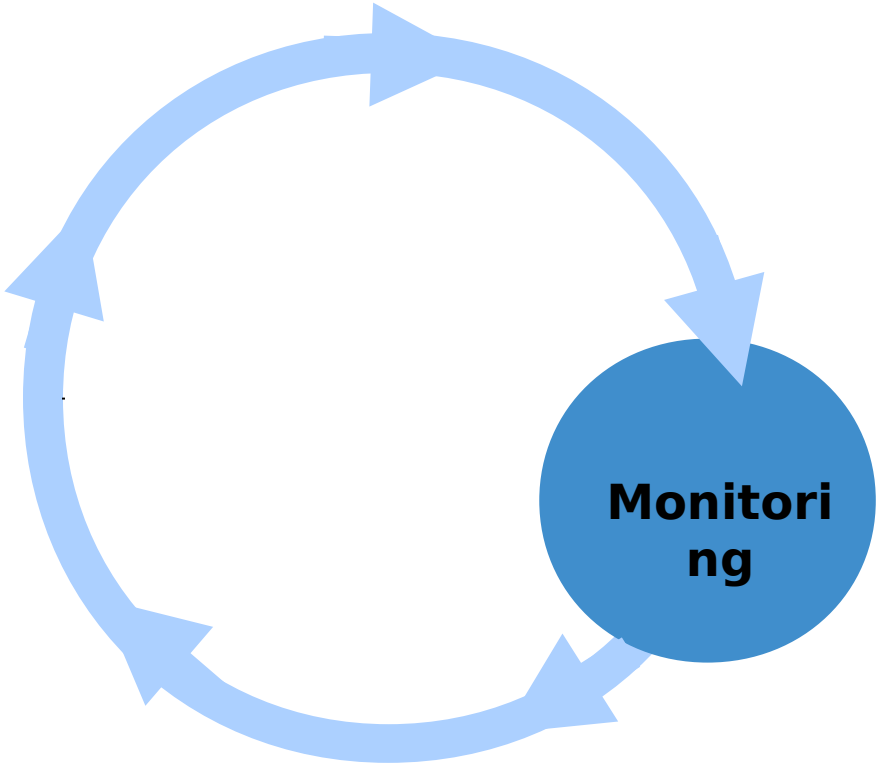
Performance Management Cycle — Planning

- Discuss performance expectations.
- Establish job objectives.
- Identify contributing factors.
- Establish a process for ongoing communications.



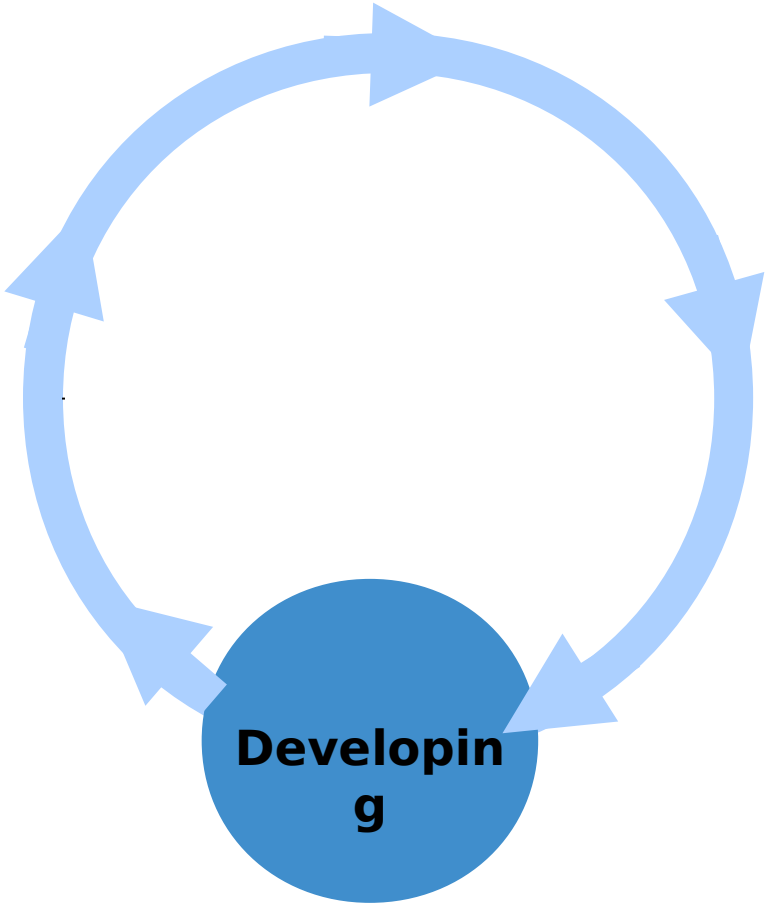
Performance Management Cycle — Monitoring

- Identify what is working and not working.
- Adjust the plan, as appropriate.
- Conduct at least one mandatory interim review.



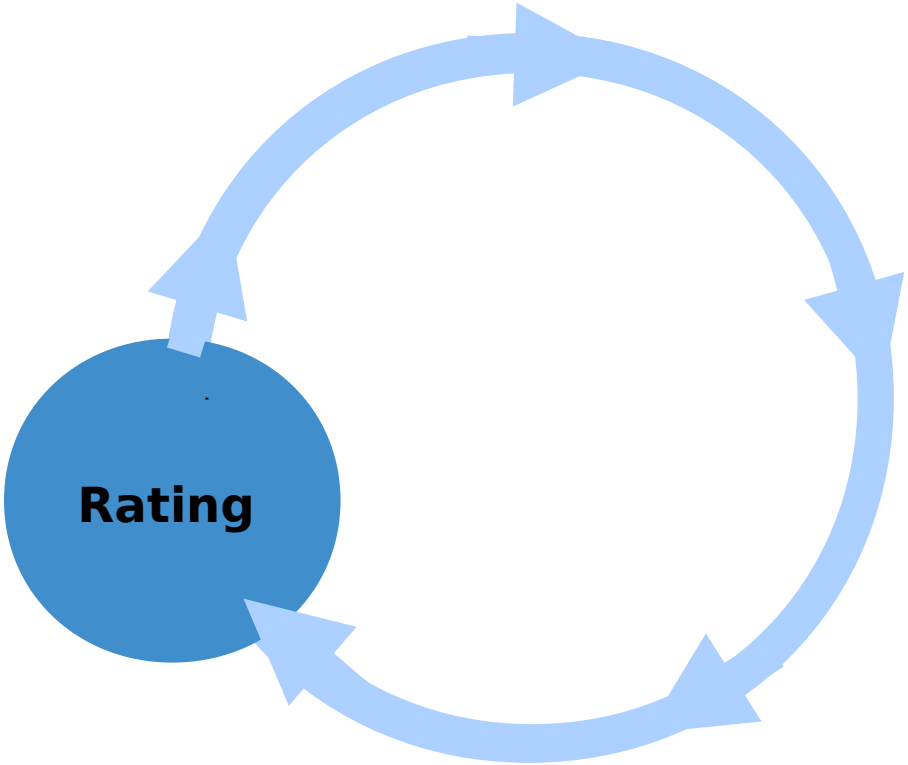
Performance Management Cycle — Developing

- Identify training and development opportunities.



Performance Management Cycle — Rating

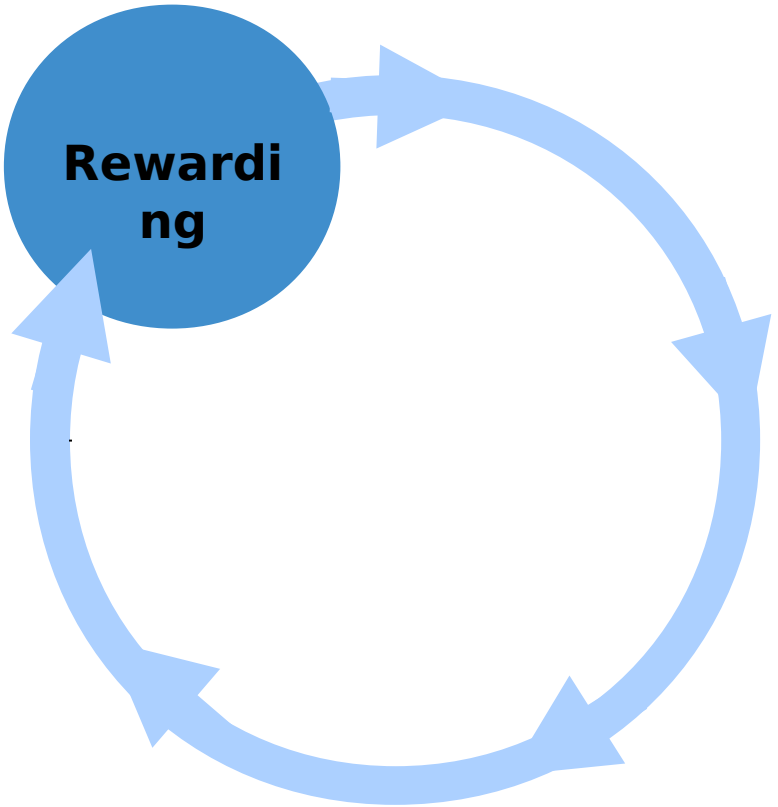
- Rate job objectives: use NSPS Performance Indicator for appropriate pay schedules.
- Evaluate contributing factors: use benchmark descriptors and work behaviors for appropriate contributing factors.
- Adjust job objective rating.
- Determine recommended rating of record.



Performance Management Cycle — Rewarding

Your supervisor is responsible for recommending:

- Rating of record
- Number of shares
- Payout distribution



Performance Payout

Performance payout may be paid as:

- An increase in base salary.
- A bonus.
- A combination of the two.

What Your Rating of Record Means

Performance Rating	Employees are eligible to receive...
5 – Role Model	• Performance-based pay increases • Rate range adjustments • Local market supplement increases
4 – Exceeds Expectations	
3 – Valued Performer	
2 – Fair	• Rate range adjustments • Local market supplement increases
1 – Unacceptable	• No increases

Lesson 5: Hiring and Employment

Lesson 5: Hiring and Employment

After completing this lesson, you will be able to:

- Identify changes in hiring and employment.
- Explain the flexibilities in internal placement.
- Identify the NSPS changes in competitive examining.
- Identify new appointing authorities.
- Explain the provisions for probationary periods.

Internal Placement (Merit Promotion)

- NSPS changes are streamlined to:
  - Reduce the need for administrative processes and paperwork.
  - Enhance opportunities for career growth.
  - Reduce number of personnel actions required.

Qualifying for a Position

- You must demonstrate that you have the knowledge, skills, abilities, and competencies for the specific position.
- You have flexibility to move easily to other positions.

Competitive vs. Non-Competitive Actions

- Merit principles apply
- Guidelines: “Determining Levels of Work”
- Managers/supervisors are held accountable for ensuring that the competitive process is equitable and fair.

Alternative Forms of Competition

- Exceptional performance promotion
- Alternate certification
- Assessment boards

Exceptions to Competition

- Career ladder promotions
- Additional duties and responsibilities
- Temporary promotions of 180 days or less
- Movement to a higher pay band because of new classification standards
- Correction of an initial classification error
- Position change because of RIF

External Hiring (Competitive Examining)

- DoD has authority to establish competitive examining procedures
- Management may use a targeted recruitment strategy for attracting applicants
- Veterans' preference principles still apply

Announcing Vacancies

These provisions apply:

- Local commuting area gets first consideration
- Other targeted recruitment sources considered concurrently
- No minimum announcement period
- Open period based on type of position being filled and availability of qualified applicants in the labor market

New NSPS Appointing Authorities

- Severe Shortage/Critical Need Hiring Authority
- Time-Limited Appointment Authorities
  - Term appointments
  - Temporary appointments

Probationary Periods

- Critical to a performance-based system
- One year
- Option for three years for selected occupations
- For initial or supervisory probation at time of conversion, probation continues with no loss of time already served

Lesson 6: Workforce Shaping

Lesson 6: Workforce Shaping

After completing this lesson, you will be able to:

- Define workforce shaping.
- Define competitive areas and competitive groups.
- Define retention factors.
- Explain displacement procedures.

Workforce Shaping

Workforce shaping

- Variety of actions to retool and refocus the workforce
- Continuous process
- A response to:
  - Budget cuts
  - Mission changes
  - Technological changes
  - Other realignments

Workforce Shaping Actions

- Voluntary Early Retirement Authority (VERA)
- Voluntary Separation Incentive Pay (VSIP)
- Hiring freezes
- Voluntary placements
- Voluntary separations
- Stockpiling vacancies
- Realigning work
- Reengineering processes or work
- Early registration in Priority Placement Program
- Retraining
- Reduction in Force

Reduction in Force (RIF)

- RIF might become necessary if other actions do not meet reshaping goals
- NSPS RIF procedures:
  - Minimize the disruption caused by RIF placement actions.
  - Focus attention where organization needs to be changed.

Competitive Areas

Competitive areas are established based on one or more of the following:

- Geographical location(s)
- Line(s) of business
- Product line(s)
- Organizational unit(s)
- Funding line(s)

Competitive Groups

A competitive group is defined on the basis of one or more of the following:

- Career group
- Pay schedule
- Pay band
- Occupational code or specialty
- Trainee status

Retention Factors

In order of priority:

- Tenure
- Veterans' preference
- Performance credit
- Length of service

Displacement Right

- Displacement is the process of assigning employees to positions during a RIF.

- To displace another employee, you must:
  - Have a higher retention standing.
  - Be fully qualified for the position.
  - Be in the same competitive group.

Questions/Resources

- Any unanswered questions?
- Resources
  - Writing SMART Objectives
  - NSPS 101
  - Performance Management for Managers and Supervisors
  - Performance Management for Employees
  - Pay Pool Management (on/about July 2006)

Post-Course Learning Benchmark

- Assesses your level of knowledge about HR Elements for Managers, Supervisors, and Employees after taking the course.
- Will be compared to your answers to the same questions at beginning of the course to determine course effectiveness.
- Refer to the Post-Course Learning Benchmark in packet.

Course Evaluation

- Course evaluation is in your packet.
  - Complete and turn in today.
  - Provide an honest assessment of the course materials and your instructor.
- Evaluation provides feedback on course effectiveness.